III. GOVERNMENT FINANCIAL AND PERSONNEL MANAGEMENT

Program managers and policy makers have a common need for meaningful information collected in an accurate manner and delivered in a timely fashion. Computer technology has facilitated the assembly and transmission of vast amounts of relevant information. Increasingly, its has also provided the tools to analyze and present information in ways that radically enhance the user's ability to understand past events, manage current tasks, and predict future outcomes in their organizations. As indicated below, the State has made significant investments in this area.

A. ACCOMPLISHMENTS

Predicting State Revenues

The Maine Revenue Services, Division of Research has implemented a sophisticated tax simulation model. The model allows the State to forecast baseline revenues, calculate the impact of proposed changes, and estimate the distribution of state and local tax burdens. In general, it provides policy makers with faster, more consistent, and more reliable data.

Automation and Integration of State Financial and Administrative Management Functions

The State's Maine Financial and Administrative Statewide Information System (MFASIS) provides the major enterprise tool for managing financial, budgetary, and human resource information. These three areas are supported by an integrated set of modules to manage current information plus a data warehouse to analyze data from prior years.

Accounting. The Accounting module manages all the State's payables and receivables. It enhances the controls around the disbursement cycle. The system also provides operational efficiencies with regard to automated accounting transactions. It is integrated with the DAFS, Division of Purchases' browser based (BASEC) purchasing system (see page 19).

The Accounting module, however, does not currently support newer Governmental Accounting Standards Board (GASB) standards. It also does not offer standard interface points for individual agency accounting and financial applications. Agencies are still required to use manual data entry procedures.

Budget. The Budget module collects the budget proposals from each agency electronically for the development of the Governor's budget proposals. Once the budget is enacted by the Legislature, the module tracks actual expenditures against the approved budget. Budget transactions update Accounting module files. In turn, Accountings' actual revenue, expenditure, and encumbrance data update Budget files through daily batch processing. Each system is kept in

balance, so that the budget and actual data in each are identical for reporting and analysis purposes.

The Bureau of the Budget has contracted for a new enhanced program budgeting application (see pages 21-22).

Human Resources. The existing Human Resources Management module manages the salary and benefit status of all employees. It interfaces with the Accounting module. Together, they manage all steps from agency recording of hours worked and expense vouchers to the production of payroll and expense checks or direct deposits.

Agencies, however, must currently still manually enter time sheet and expense information on their employees. An automated time and expense sheet application is under development (see page 21).

MFASIS Financial Data Warehouse. The Accounting, Budget, and Human Resource applications supply data to a Data Warehouse application. The Warehouse provides policy makers and managers with a sophisticated set of tools to conduct integrated analyses of trends over the most recent years. Either alone or integrated with the other MFASIS modules the Data Warehouse provides managers with a one-stop resource for obtaining budget, account, and staffing information needed to manage programs and develop budgets.

Paperless Processing of Applications for State Employment

The Bureau of Human Resources has recently implemented an Automated Applicant Tracking and Document Management (Imaging) Systems to manage the entire application and hiring process. This system feeds information for new hires automatically to the MFASIS HR module.

Managing and Apportioning the Costs of State Enterprise Services

The Division of Personnel and Financial Services' Customer Invoice Management System (CIMS) automates the processing, management, and reporting of Internal Services Fund charges to individual agencies. It provides customer agencies online access to billing information and enables the division to manage the process from billing through to the posting of receivables in the MFASIS system.

Online Bidding for State Purchases

Division of Purchases has contracted for a browser-based purchasing system. The

BASEC™

Buying **A**nd **S**elling by **E**lectronic **C**ommerce

Vendor Registration

system allows agencies to enter purchase orders on-line. Vendors access the listings and submit bids over the Internet. The Division of Purchases evaluates the bids online and manages the process from vendor selection right through to direct deposit of payments to vendors' bank accounts.
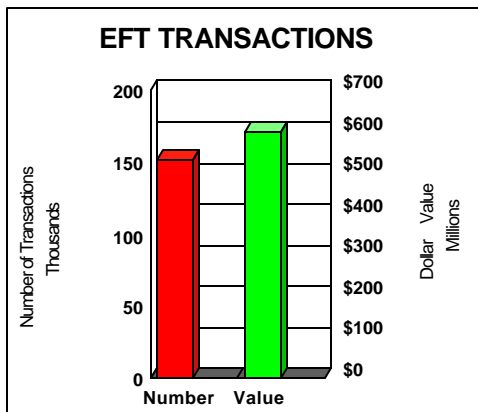
Printing Paper Checks is Passé

With mutual agreement, the DAFS's Bureau of Accounts and Control uses Electronic Funds Transfer (EFT) to
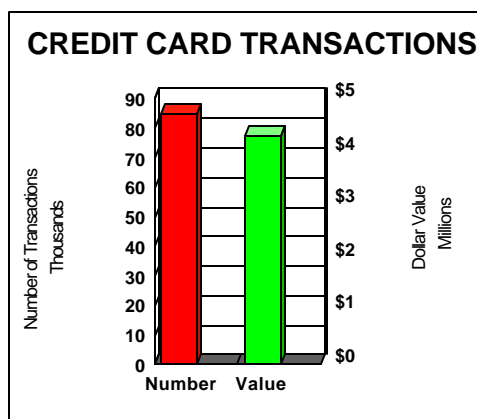

Payroll Direct Deposit

transfer payments for state employees, vendors, and contractors directly to the recipient's bank account. The DAFS's Maine Revenue Services uses EFT to both receive tax payments and issue refunds. In calendar year 2000, the State completed 151,282 EFT transactions totaling $600 million.

EFT TRANSACTIONS

Number of Transactions Thousands / Dollar Value Millions

200	$700
	$600
150	$500
	$400
100	$300
	$200
50	$100
0	$0

Number Value

Credit Cards Enhance E-Government

The Legislature has mandated that state agencies accept credit card payments in services transactions. Agencies have aggressively complied with the mandate and the State Treasurer in conjunction with the Bureau of Accounts and Control has negotiated a favorable credit card rate with credit card companies. In the First 6 months of FY 2001, the State Treasurer recorded 85,060 credit card transactions totaling $4.3 million. The use of credit cards should increase in the future as

CREDIT CARD TRANSACTIONS

Number of Transactions Thousands / Dollar Value Millions

90	$5
80	
70	$4
60	
50	$3
40	$2
30	
20	$1
10	
0	$0

Number Value

InforME and state agencies work to enhance online services.

Automated Management of Internal State Agency Finances

Most state agencies have individual, or shared multi-agency, applications to automate their agency's internal management of accounting, human resource, and budget information. These, in turn, produce reports for the MFASIS enterprise applications.

Interagency Sharing of Administrative Resources

The departments of Agriculture, Conservation, and Environmental Protection have combined resources to automate personal and financial management activities in the ACE Service Center. One special component for the Department of Environmental Protection automates the generation, billing, and collection of fees. The application controls cost and improves the quality of forecasting.

Management of Social Service Clients

The Department of Human Services has numerous applications to manage services to clients. Many have financial reporting and payment components. Two examples are:

The Maine Point of Purchase System (MEPOPS), for tracking prescription drug purchases for Medicaid patients, transfers electronic files to Maine's MFASIS system for processing payments (see pages 23-24).

The Very Intelligent Payment Recognition System (VIPRS) has

enabled DHS to reduce the delivery of child support payments from three weeks to three to five days.

Effective Transportation Investment Enhanced by Efficient Financial Management

The Department of Transportation is an aggressive user of automated tools. Two of its financial applications are:

Financial Data Warehouse (FACT) provides current financial data to mid and senior level management. FACT makes departmental expenditure information readily available on-line to managers by project, appropriation, and organizational unit.

An automated work time, expense account, and leave balance recording application. Employees enter time sheet and expense information directly into an online application. Managers review the information online and create reports for entry into the MFASIS system. This system has provided a prototype spurring the development of an enterprise application (see below).

Automated Financial Management in a Paperless Office

The Secretary of State's Bureau of Corporation's Automated Information System includes the management of fees from collection to the generation of bank deposits and reports for MFASIS.

B. CURRENT INITIATIVES

Automated Tracking of Employee Hours and Expenses

Based on the DOT prototype, the DAFS, Bureau of Accounts and Control and BIS are developing a browser-based Maine State – Time and Attendance Management System (MS-TAMS) to allow employees to enter time sheet and expense account information directly into an on-line database. It will save both employees and payroll clerk's time in entering and reconciling information. It will also allow agency managers to review the information online and initiate an on-line roll up of the information into the MFASIS Accounting module's payment process.

Connecting Budgets to Performance

The DAFS Bureau of the Budget has engaged the Bureau of Information

Services and outside contract and systems development services to build a Performance Budgeting Application to support the State's performance budget initiative. A prototype of the budget document and budget bill has been approved and the application is in the final stage of completion. The new software will enhance the State's ability to:

- Tie budget information to specific program objective measures.

- Integrate strategic plans and performance measures with budgets.

- Support budget development and reporting at lower responsibility center levels.

- Track and report planned to actual performance measures.

- Provide for a dynamic personal services forecasting, analysis and tracking capability.

- Track legislation with fiscal impact and integrate that data into one common system.

- Provide a capital budgeting system that identifies all project costs, supports long range capital planning, identifies financing sources by project and connects capital projects to strategic plans and performance measures.

The new application will also integrate state agencies, the Legislature, and the Bureau of the Budget into a single system. The system will allow for a seamless data flow, eliminate duplicate data entry, and improve data validity.

Automating the State Treasurer's Reconciliation of the State's Bank Transactions

Treasury's Account Management Information System (TAMI) will automate the management of bank transactions. Agency clerks will record check specific data in an electronic cashbook and TAMI will print a bank deposit ticket and create a summarized electronic cash receipt. Once reviewed and approved by a supervisor, the information will be sent to the Treasury and processed by MFASIS. Daily account reconciliations will be performed automatically and variances communicated immediately to agencies.

The system will increase the efficiency, accuracy, and manageability of the State's banking transactions. It will eliminate duplicate data entry, cut processing and bank reconciliation time, and allow for a greater volume of credit card transactions and Electronic Funds Transfers.

Interfacing Agency Fee Collections with Enterprise Financial Management

The DEP is expanding the use of an electronic interface between its program fee determination and collection systems and the accounts-receivable system in the State's enterprise MFASIS application. This will give managers better control of billing and collection functions and improve cash forecasting for affected dedicated revenue accounts.

Electronic Payments to Government Business Partners

The Bureau of Accounts and Control has started a pilot project using Clareon Corporation's PayMode, a government-to-business e-payment solution. The system will allow the State Controller to digitally transmit full remittance data directly from the State's Accounts Payable system to a vendor's Accounts Receivable system. The system is bank neutral. Once evaluated by the pilot project business partners, the system will offer cost savings and administrative efficiencies to both the State and its vendors.

C. FUTURE STRATEGIC DIRECTION

Each state agency will have access to an integrated accounting, program budgeting, and human resource

management system that allows information to be entered once at the agency level, reviewed online by agency

managers, and electronically available to an enterprise management system. The enterprise system will integrate and electronically manage all accounting, budgetary, and human resource information and provide seamless communications with automated State Treasury and banking applications.

Action Items.

- Upgrade the MFASIS Accounting module to comply with GASB accounting standards and to enhance its interoperability with other financial, budget, and human resource applications.

- Assure that agency data can be electronically forwarded to MFASIS in a controlled manner.

IV. CUSTOMER MANAGEMENT AND AGENCY OPERATIONS

Almost all state agencies use telecommunications and information technologies to enhance their collection, management, and distribution of information on their customers and operations. The examples presented below are only representative of a wider, near universal effort by all agencies to use technology to improve the effectiveness and efficiency of their programs and services.

A. ACCOMPLISHMENTS

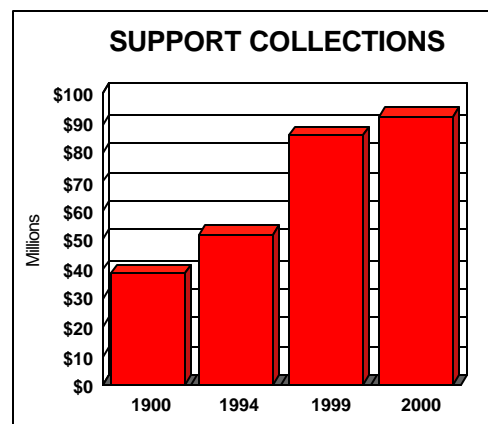### Providing Effective Social Services Efficiently

The Department of Human Services has a number of automated systems to manage its client and customer groups.

The Division of Support Enforcement and Recovery's automated system has been extremely successful. The system was certified in 1998 under the federal Family Support Act and is awaiting final certification under Welfare Reform.

It has enabled the division to steadily increase collections during the 1990's. Collections more than doubled from $38.2 million in 1990 to $92.7 million in 2000. The Division anticipates an

additional 9-11% increase for FY2001. The system works in concert with NECSES (New England Child Support Enforcement System.).

SUPPORT COLLECTIONS

(Bar chart showing Millions on the Y-axis from $0 to $100, and years 1900, 1994, 1999, 2000 on the X-axis. Values approximately: 1900 ≈ $40, 1994 ≈ $53, 1999 ≈ $87, 2000 ≈ $93.)

MACWIS (Maine Automated Child Welfare Information System) automates the management of DHS's Child Welfare services.

MEPOPS (Maine Point of Purchase System) provides client eligibility information on-line to over 300 pharmacies throughout the state. The system covers 153,000 people under Medicaid and an additional 28,000 under Maine's Drugs for the Elderly and Disabled Program and programs to assist individuals with aids or tuberculosis.

It processed over 3,500,000 prescriptions totaling around $200 million in calendar year 2000. The system also tracks usage of prescription drugs, warns pharmacists of drug interactions, and prevents overuse or misuse of drugs. It also greatly reduces the payment time to pharmacies. Processing claims took up to three months with the previous manual system. MEPOPS makes payments possible in about 10 days.

PRESCRIPTIONS
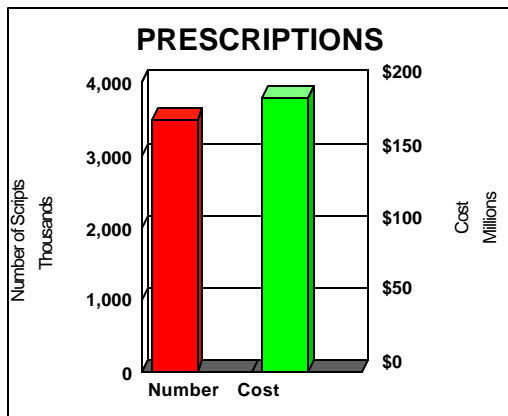
MECAPS (Maine Enrollment and Capitation System) manages the Medicaid managed care program. Its functions include client enrollment, managed care history, and calculations of payments to managed care organizations.

MECARE (Maine Long Term Care Eligibility System) is an information system used for long-term care decisions for seniors. For example, MECARE can determine whether a person will be best served by a nursing home, community-based services, or home health care and can then match the person's needs to the resources available. A Registered Nurse, using a laptop computer, does the assessment in the home, in the hospital, or nursing home.

ImmPact is an immunization information system jointly developed by Maine and New Hampshire. ImmPact allows health care providers to share information on a child's

immunization history, maintains a vaccine inventory for doctors, and automatically schedules children for preventative health care visits.

WIC (Women, Infants, and Children) provides assistance to women and their children. Its support application keeps track of all food and infant formula distributed. WIC also links centers in 19 different locations and gives all workers access to statewide information.

Saving Transportation Dollars for Transportation Infrastructure

The Department of Transportation makes extensive use of automated productivity enhancing applications in its planning and management activities.

Survey automation allows the department to reduce size of each survey crew and improves safety of workers.

Drafting and design automation (CADD) has a documented four to one productivity improvement ratio. The most significant gain is the ability to

quickly alter and refine alternative designs.

The Automated Roadway Analyzer (ARAN) collects road condition and other information at traveling speed and has improved the efficiency of data collection 15 to 30 fold. With the implementation of a Geographic Information System (GIS), the Department can link ARAN video images to the GIS base maps.

ProjEx (Project Scheduling & Resource Management System) automates project-scheduling information. It helps keep capital improvement projects on target and facilitates successful on-time and on-budget project delivery through improved communication, coordination of work schedules, and efficient human resource assignment.

Improving Services to Environmental Permit Customers

The Department of Environmental Protection (DEP) uses a central Application Tracking System to track and manage applications for licenses and permits. It enables applicants, management, and the public to monitor the status of an application. E-mail communications greatly reduce the time to turn around questions and to exchange information with applicants, consultants, and other reviewing

agencies. The system has reduced a 1989 backlog of over 1000 pending Site Law applications and permits to zero and reduced permit processing time from over one year to 6 to 10 weeks.

Desktop access to departmental databases and information allows staff to answer the public's questions in real time and send responses via e-mail. Interested parties can obtain relevant portions of statutes and regulations and some departmental data directly via the Internet.

Access to the Internet keeps staff informed of changes in science and technology and in state and federal rules, regulations, and policies. It enables staff to exchange information with their peers in other states and the federal government. This makes information readily available when and where it is needed and helps foster sound decisions. As an example, there is currently a great deal of discussion and research on the levels and impact of mercury in the environment. The Internet assists parties in New England and Canada to plan a coordinated response.

Managing Unemployment Insurance Customers

The Unemployment Insurance Program converted from delivering claims services in-person out of a network of fifteen local offices to delivering services by telephone through a virtual teleprocessing system consisting of three call centers. The Centers were

HOW TO CLAIM UNEMPLOYMENT BENEFITS

made possible through a cooperative venture between the State and Lucent Technologies, since the State system is a Bell lab site, and through an innovative use of interactive voice response (IVR) technology. Unemployment Insurance customers call local numbers in their area of the state and the call is automatically routed to a local Call Center or to an available operator in another Center. Using skills-based routing, calls can also be routed to match a customer's needs with the special area expertise of an operator. Sophisticated system management and reporting software tools make it possible for center supervisors to adjust queues and call routing in response to workload fluctuations, monitor the system for quality assurance and forecast staffing and scheduling needs (See page 31).

Searching for Jobs and Finding Employees

Staff at Career Centers have a client management support applications that allows them to easily enter and manage client information and to link clients to training and employment opportunities.

Efficient Processing of Tax Returns

DAFS's Bureau of Maine Revenue Services developed the Maine Automated Tax System (MATS) to manage tax return data from individuals and businesses. The Bureau's Maine Image Processing System (MIPS) uses image and Optical Character Recognition technologies to process tax return and automatically enter tax data into MATS. The image storage capability provides Bureau auditors immediate access to past filings.

In addition, individuals can file tax returns electronically over the Internet or over the phone using an automated voice response system. In 2001, MRS will process 490,000 individual income tax returns using its MIPS system and 110,000 electronically.

INDIVIDUAL INCOME TAX FILINGS
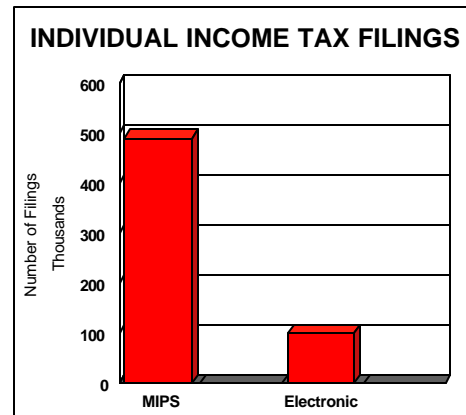
Paperless Management of Corporation Filings and Property Leans

The Secretary of State, Bureau of Corporations has an Oracle and imaging based Automated Information System for the management of data and documents related to the collection, tracking, and storage of corporation and UCC (lean) filings. The system stores all documents in digital image files. It provides records management reports and automates the process of purging (imaged) documents that are older than the retention period required by the Maine State Archives' records management schedules.

Removing Remnants of Paper from a Paperless Office

The Bureau of Corporations, Elections, and Commissions has continued to refine

its automated system. By adding a bar code to its corporation annual reports, it will be able to read the barcode during the scanning process and thereby eliminate the manual logging of the filing.

The Bureau has also instituted a process using File Magic from Westbrook Technologies to create and store image files of electronic records created by their automated system. This process has enabled them to eliminate the need to create paper file copies of all outgoing communications to corporation filers as well as of all Oracle produced financial reports.

Managing the Election Process

The Secretary of State, Division of Elections has an Oracle based system for managing the election process. The system starts with the filing of candidate papers. It then prepares candidate lists and formats ballots for printing. It provides an application for recording election returns. Finally, it provides online access for the general public to election results from the current and previous elections.

B. CURRENT INITIATIVES

Opening the Legislative Process

The Legislature is planning a migration from its Wang database and application system to an Oracle based system. The new system will enhance functionality and interoperability with other agencies and branches of state government.

Enhancing the Management of Social Services

The Department of Human Services currently uses an outdated system (Welfre) for its benefit eligibility determination and Medicaid claims processing. This system is the hub of all DHS client management systems. Welfre was installed in 1978 and the department's current needs far outstrip the application's very limited abilities to provide information. DHS is in the process of replacing Welfre with two systems: ACES (Automated Client Eligibility System) and CMS (Claims Management System.)

ACES will determine a recipient's benefits eligibility, including Food Stamps, Medicaid, TANF (formerly AFDC), and ASPIRE. It will collect and store client information; fully calculate benefits based on a client's income and assets; issue notices, monthly payments, and ID cards; and provide state and federal reports. This new system will allow three times as many workers to use the system at once, thereby reducing current long waiting periods. It also will move workers from handwritten case notes to electronic notes, and give much faster access to information.

CMS will process and manage the $1 billion in annual Medicaid claims for both DHS and DMHMRSAS. CMS will reduce duplicate and inappropriate claims, improve the ability to implement changes mandated by the Legislature, increase collections from other sources, speed up claims processing, and deter fraud.

Supporting Law Enforcement by Automating Access Criminal History Records

The Departments of Public Safety and Corrections and the Judicial Branch have developed an RFP to select a vendor to implement a comprehensive criminal records management system. The system will also collect, store, and provide online access to information for law enforcement agencies, the courts, correctional institutions, the Attorney General, and District Attorneys.

Removing the Last Remnants of Paper from a Paperless Office

The Bureau of Corporations, Elections, and Commissions is working with the State's Portal manager, InforME, to develop the capability for accepting UCC leans and corporation filing forms electronically over the Internet.

C. FUTURE STRATEGIC DIRECTION

All agencies of state government will have automated systems to manage services to individual and business customers and to manage agency operations.

Action Items.

- The Department of Corrections will implement an integrated management system that combines its Corrections Master Record System (COMRS), Department of Corrections Information System (DOCIS), inmate accounting systems, inventory management system, and retail sales system.

- The Departments of Public Safety and Corrections and the Judicial Branch will complete the implementation of a criminal records management system that complies with the Interstate Identification Index standards of the National Crime Information Center.

- The Bureau of Human Resources will provide accounts to track salary and benefit costs for each state government program or activity and individual accounts to display the value of an employee's compensation and employee and State benefit contributions.